



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240
January 31, 2000



Department of the Interior Acquisition Policy Release (DIAPR) 2000 - 2

Subject: **Streamlined Acquisition of Services from Small Businesses**

1. **Purpose.** To issue a class waiver from the Commerce Business Daily (CBD) synopsis requirements of Federal Acquisition Regulation (FAR) Subpart 5.2 when acquiring services between \$25,000 and the simplified acquisition threshold (SAT) from small businesses (excluding those exempt from set-asides under the Small Business Competitiveness Demonstration Program.)
2. **Effective date.** January 6, 2000
3. **Expiration date.** June 30, 2001
4. **Explanation.** The Department has completed the processing of a class waiver of the synopsis requirements in FAR Subpart 5.2 as provided through a pilot program established by the Office of Federal Procurement Policy (OFPP) and the Small Business Administration (SBA). See attachments. This waiver allows contracting officers to quickly solicit competition from a minimum of five responsible small businesses, to take better advantage of the services of competitive small businesses, and to match the processing efficiencies available from multiple award, indefinite delivery contracts.
5. **Limitations.** This waiver may be used only under the following circumstances:
 - a. the acquisition is for services (excluding those exempted from set-asides under the Small Business Competitiveness Demonstration Program) in amounts over \$25,000, but not exceeding the SAT, of which supply items are expected to constitute less than 20 percent of the total value of the contract;
 - b. the acquisition will be set aside for small business;
 - c. quotes or offers will be solicited from a minimum of five small business concerns;
 - d. SBA's PRO-Net will be used to identify and solicit a minimum of five small business, which will include, if available, at least one small disadvantaged and one women-owned firm;
 - e. if practicable, two sources not included in the previous solicitation for the same services will be solicited; and

- f. each relevant contract action will be awarded in accordance with the policies and procedures prescribed in FAR 13.104 with regard to promoting competition to the maximum extent possible.

6. **Reporting.** As explained in Attachment 1, OFPP will collect statistical data from the Federal Procurement Data System to measure the changes in the award of new contracts to small, small disadvantaged, and women-owned small businesses that result from this program. However, narrative reports also have been requested on "... your general thoughts and impressions regarding the effectiveness of the waiver (e.g., time savings, user satisfaction, source identification.)" The Office of Small and Disadvantaged Business Utilization will collect this information from you and prepare the Department's response by November 1, 2000.

7. **Questions.** Questions about accessing SBA's PRO-Net system or other small business issues may be directed to Frank Gisondi on (202) 208-4907. Other questions may be directed to Dean Titcomb on (202) 208-3433.



Debra E. Sonderman, Director
Office of Acquisition and Property Management

Attachments

cc: Paul Denett
Robert Faithful



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D. C. 20503

OFFICE OF FEDERAL
ACQUISITION POLICY

January 6, 2000

Ms. Debra E. Sonderman
Director
Office of Acquisition and Property Management
Department of the Interior
Washington, DC 20240

Dear Ms. Sonderman:

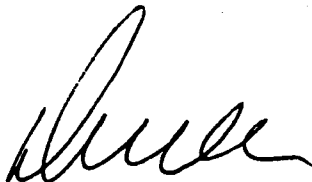
Thank you for your letter of December 17, 1999 regarding your department's determination, under FAR Subpart 5.2, to waive advance notice in the Commerce Business Daily (CBD) when acquiring services between \$25,000 and the simplified acquisition threshold from competitive small businesses. The waiver would apply under the circumstances described in the July 28, 1998, OFPP/SBA memorandum entitled "Streamlined Acquisition of Services from Small Businesses under the Simplified Acquisition Threshold."

We have reviewed your letter and do not object to your department's determination, pursuant to FAR 5.202(b), that such advance notice of individual procurements is not appropriate or reasonable in the circumstances described in the determination. This assumes that the determination will terminate no later than June 30, 2001, and that each relevant contract action will be awarded in accordance with the policies and procedures prescribed in FAR 13.104 with regard to promoting competition to the maximum extent practicable.

We request that you help us measure the impact of your determination to waive the CBD advance notice requirement. We are especially interested in whether the waiver is enabling your department to take better advantage of the services offered by competitive small businesses (i.e., providing a tool by which to quickly solicit competition and make award) in meeting your department's needs. As noted in the enclosure, we will use your department's data in the Federal Procurement Data System (FPDS) to estimate the volume of purchases under the program.

Thank you for participating in this effort. Should you have any questions, please contact Karen Maris of OFPP on 202-395-4955. We look forward to working with your department to achieve what we hope will be a success for both small businesses and the government.

Sincerely,



Deidre A. Lee
Administrator
Office of Federal Procurement Policy



James C. Ballentine
Associate Deputy Administrator
for Government Contracts and
Minority Enterprise Development
Small Business Administration

Enclosure

Reporting Procedures

Your Department should continue to report all contract actions for services between \$25,000 and \$100,000 using the existing FPDS reporting instructions. OFPP and SBA will use FY 99 data to establish a baseline that identifies actions and dollars for services between \$25,000 and \$100,000 from small, small disadvantaged, and women-owned small businesses and large businesses. The baseline will include new definitive contracts (SF 279, Item 9, Code C), simplified acquisitions (SF 279, Item 9, Code D), and task orders under basic ordering agreements and indefinite delivery contracts (SF 279, Item 9, Codes E, F, and L) that have been synopsisized prior to award. We will provide a baseline report to your Department as soon as the FY 99 FPDS data becomes available. At the end of FY 00, we will work with you to evaluate the FPDS data to determine if there has been a decrease in the number of task orders between \$25,000 and \$100,000 awarded to large businesses and an increase in new definitive contracts and simplified acquisitions awarded to small, small disadvantaged, and women-owned small businesses as a result of the waiver.

To supplement the FPDS data, we are interested in your general thoughts and impressions regarding the effectiveness of the waiver (e.g., time savings, user satisfaction, source identification). Please submit comments to the OFPP Administrator by November 1, 2000.



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

December 17, 1999




The Honorable Deidre A. Lee
Administrator
Office of Federal Procurement Policy
Room 352, OEOP
Washington, D.C. 20503

Dear Ms. Lee:

In response to the November 17, 1999, memorandum from your office to agency senior procurement executives, I have approved, subject to consultation with you and the Administrator of the Small Business Administration, the enclosed class waiver of the synopsis requirements in the Federal Acquisition Regulation Subpart 5.2. This waiver would apply when acquiring services in smaller dollar amounts from small businesses.

The waiver will streamline smaller dollar value acquisitions of services and increase opportunities for small business contractors to participate more fully in the Department of the Interior's procurement program.

Sincerely,


Debra E. Sonderman, Director
Office of Acquisition and Property Management

Enclosure

cc: James C. Ballentine, Small Business Administration
Paul A. Denett, Director of Administration
Robert Faithful, Director, Office of Small Disadvantaged
Business Utilization

Determination to Waive the Synopsis Requirements of Federal Acquisition Regulation (FAR) Subpart 5.2

1. The requirement in FAR Subpart 5.2 to provide widespread notice and, generally, a 45-day notice-and-wait period for all new procurement actions between \$25,000 and the simplified acquisition threshold (SAT) limits the efficiency of the Department of the Interior's procurement process by requiring the evaluation of a potentially large number of offerors. Many of these offerors may not be highly competitive. As a result, even though small businesses have demonstrated their ability to be competitive for many types of services, the synopsis requirement often makes it unreasonable or inappropriate to take advantage of the services that competitive small business contractors can offer in this dollar range.

2. It is therefore appropriate to waive the notice requirements under the following circumstances:

- (a) the acquisition is for services (excluding those exempted from set-asides under the Small Business Competitiveness Demonstration Program) in amounts over \$25,000, but not exceeding the SAT, of which supply items are expected to constitute less than 20 percent of the total value of the contract;
- (b) the acquisition will be set aside for small business;
- (c) quotes or offers will be solicited from a minimum of five small business concerns;
- (d) SBA's PRO-Net will be used to identify and solicit a minimum of five small business, which will include, if available, at least one small disadvantaged and one women-owned firm; and
- (e) if practicable, two sources not included in the previous solicitation for the same services will be solicited.

3. Pursuant to FAR 5.202(b) I hereby determine that the advance notice requirements of FAR Subpart 5.2 are inappropriate and should be waived when the circumstances in paragraph 2 are present. This determination is effective December 31, 1999, subject to consultation with the Administrator of the Office of Federal Procurement Policy and the Administrator of the Small Business Administration.



Debra E. Sonderman, Director
Office of Acquisition and Property Management